

RICHARD J. IDELL, ESQ., #069033  
PATRICIA DE FONTE, ESQ. #223923  
IDELL & SEITEL LLP  
The Merchants Exchange Building  
465 California Street, Suite 300  
San Francisco, CA 94104  
Telephone: (415) 986-2400  
Facsimile: (415) 392-9259

Attorneys for Plaintiff U2 HOME ENTERTAINMENT, INC.,  
a California Corporation doing business as NEW IMAGE AUDIO  
& VIDEO, CENTURY HOME ENTERTAINMENT and  
TAI SENG VIDEO ENTERTAINMENT

UNITED STATES DISTRICT COURT

NORTHERN DISTRICT OF CALIFORNIA

U2 HOME ENTERTAINMENT, INC., a California  
Corporation doing business as NEW IMAGE  
AUDIO & VIDEO, CENTURY HOME  
ENTERTAINMENT and TAI SENG VIDEO  
ENTERTAINMENT

Plaintiff,

v.

VISUAL TREASURES, business entity form  
unknown, individually and doing business as  
TreeLine Entertainment, Tree Line Films, Digital 1  
Stop and DVD MegaPacks.com; IAN WARFIELD,  
individually and doing business as Visual Treasures,  
TreeLine Entertainment, Tree Line Films, Digital 1  
Stop, and DVD MegaPacks.com; RALPH  
STEVENS, individually and doing business as  
TreeLine Entertainment and www.treelinefilms.com;  
TREE LINE FILMS, LTD, a Delaware corporation,  
individually and doing business as TreeLine  
Entertainment; TREELINE ENTERTAINMENT,  
LTD, a business entity form unknown and doing  
business as TreeLine Entertainment; DIGITAL 1  
STOP, a business entity form unknown, individually  
and doing business as MILL CREEK  
ENTERTAINMENT; MILL CREEK  
ENTERTAINMENT, a business entity form  
unknown, DVD Megapacks.com, a business entity  
form unknown, and DOES 1 to 200, inclusive,

Defendants.

Case No.: CV 05-03718 SI

**STIPULATION AND [PROPOSED] ORDER  
RE: CONTINUANCE OF CMC AND LAST  
DAY TO COMPLETE MEDIATION.**

It is hereby stipulated as follows between counsel for Plaintiff, U2 Home Entertainment, Inc, ("U2") on the one hand, and counsel for Defendants VISUAL TREASURES, business entity form unknown, individually and doing business as TreeLine Entertainment, Tree Line Films, Digital 1 Stop and DVDMEGAPACKS.COM; IAN WARFIELD, individually and doing business as Visual Treasures, TreeLine Entertainment, Tree Line Films, Digital 1 Stop, and DVDMEGAPACKS.COM; RALPH STEVENS, individually and doing business as TreeLine Entertainment and www.treelinefilms.com; TREE LINE FILMS, LTD, a Delaware corporation, individually and doing business as TreeLine Entertainment; TREELINE ENTERTAINMENT, LTD, a business entity form unknown and doing business as TreeLine Entertainment; DIGITAL 1 STOP, a business entity form unknown, individually and doing business as MILL CREEK ENTERTAINMENT; MILL CREEK ENTERTAINMENT, a business entity form unknown, DVDMEGAPACKS.COM, a business entity form unknown, (collectively, "Defendants") on the other hand:

WHEREAS, the Court issued an order on January 18, 2006 stating that U2 and Defendants must complete Mediation by no later than April 7, 2006. Jamie Isbester was later appointed as the mediator.

WHEREAS, the parties and Mr. Isbester scheduled the mediation for Monday, March 19, 2006. However, the week of March 13, 2006 the parties agreed, in principal, upon a settlement and conducted a conference all with Mr. Isbester informing him of same and canceling the mediation session.

WHEREAS, the parties intend to finalize the settlement documents and submit a stipulated final judgment, consent decree and permanent injunction within the next seven days. However, the parties wish to have the mediation deadline extended to May 31, 2006 for the unlikely eventuality that this matter fails to settle.

WHEREAS, a Case Management Conference is currently scheduled for March 31, 2006 at 2:30 p.m.

WHEREAS, Plaintiff's counsel has filed an Notice of Unavailability of Counsel for April 10, 2006 to May 10, 2006, inclusive, due to a trial in Santa Clara County.

THEREFORE, the parties stipulate as follows:

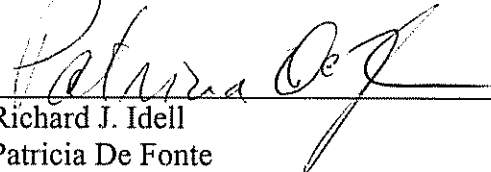
1. The parties stipulate and request that the Court continue the last day to complete mediation to May 31, 2006.

2. The parties also stipulate and request that the Court continue the case management conference to June 2, 2006.

2. Good cause exists for this request based on the foregoing.

Dated: March 30, 2006

IDELL & SEITEL LLP

  
Richard J. Idell  
Patricia De Fonte

Attorneys for Plaintiff Attorneys for Plaintiff  
U2 HOME ENTERTAINMENT, INC., a California  
corporation doing business as NEW IMAGE  
AUDIO & VIDEO, CENTURY HOME  
ENTERTAINMENT and TAI SENG VIDEO  
ENTERTAINMENT

Dated: March 30, 2006

CAPSTONE LAWGROUP LLP

\_\_\_\_\_/s/\_\_\_\_\_  
Brian Irion  
Attorneys for Defendants

[PROPOSED] ORDER

The Stipulation of the parties having come before the Court and good cause appearing therefore, the Court makes the following order:

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that the last date to complete the Early Neutral Evaluation is extended to <sup>5/31</sup>\_\_\_\_\_, 2006.

IT IS FURTHER ORDERED that the case management conference currently scheduled for March 31, 2006 is rescheduled for <sup>6/2</sup>\_\_\_\_\_, 2006 at <sup>2:30</sup>\_\_\_\_\_ p.m.

Dated: \_\_\_\_\_, 2005

By:   
Honorable Judge Susan Histon